

**TOWN OF ABINGDON
SPECIAL CALLED COUNCIL MEETING
TUESDAY, JUNE 12, 2007 – 7:30 P.M.
COUNCIL CHAMBERS - MUNICIPAL BUILDING**

A special called meeting of the Abingdon Town Council was held on Tuesday, June 12, 2007 at 7:30 p.m. in the Council chambers of the Municipal Building.

A. ROLL CALL

Members of Council Present: Mayor Lois H. Humphreys
Mr. Robert M. Howard, Vice Mayor
Dr. French H. Moore, Jr.
Mr. Edward B. Morgan
Mrs. Cathy Lowe

Administrative Staff: Gregory W. Kelly, Town Manager
Cecile M. Rosenbaum, Town Clerk
Mark Godbey, Town Treasurer/Dir. Of Finance
John Dew, Director of Public Services/Construction
Jim Smith, Director of Wastewater Operations/Town Engineer

Mayor Humphreys called the meeting to order roll call and welcomed everyone in attendance.

I. SECOND READING OF ORDINANCES

1. AN ORDINANCE TO ENACT CHAPTER 66, SECTIONS 66-155 THROUGH 66-164 OF ARTICLE VI, CIGARETTE TAX, OF THE CODE OF THE TOWN OF ABINGDON.

Mayor Humphreys invited any members of the audience to speak in favor or opposition to the proposed cigarette tax.

Angie Huffman, of Angie's Wholesale Tobacco, appeared before the Council members to speak in opposition to the proposed cigarette tax. Ms. Huffman asked that the Council reconsider approving the proposed cigarette tax. Ms. Huffman indicated the tax would have a significant negative impact on the volume of cigarette sales in her store if she had to add the proposed tax of \$.10 for a pack of cigarettes. Ms. Huffman also expressed concern over the manpower it would take to add the stamps to the packs already on her store shelves.

Greg Kelly, Town Manager, commented that putting a new tax of any kind in place is never a popular option but explained that the cigarette tax revenue was important to the proposed budget for this year. He noted that this tax was not a new issue and had originally been raised and

presented for enactment last July, but at that time, upon second reading of the ordinance, the Council chose to table the matter. He also commented that the Town Council had voted several months back to decrease the wholesale tax rate from \$.13 to \$.05 and the consumer utility tax had been decreased from \$.2 to \$.05 which was impacting the Town budget over \$60,000 plus dollars. He explained that the cigarette tax was a way to recapture some of the lost revenue and balance the Town's budget. Mr. Kelly further noted that no one spoke in opposition to this tax at the public hearing or at the first reading.

Mr. Morgan inquired when Ms. Huffman's business lease was to expire and she indicated it would expire in September. Dr. Moore commented on the other taxes that the Town has such as food and lodging and meals tax and that the Town had never increased real property taxes for Town residents.

At this time, Mr. Morgan made a motion, with a second by Dr. Moore, to adopt the proposed Ordinance to enact Chapter 66, Sections 66-155 Through 66-164 Of Article VI, Cigarette Tax, of the Code Of The Town Of Abingdon to take effect on August 1, 2007.

Discussion ensued among the Council a member of the audience who owns a store in the County and one in the Town. He indicated that the cigarette tax was a hardship for his Town located store. Another gentlemen addressed the Council stating that he lived in Bristol and had always bought cigarettes when he was in Abingdon.

Mr. Morgan indicated that he was very sympathetic to Ms. Huffman and the other small business owners but felt the enactment of the proposed cigarette tax was in the best interest of the Town.

The Mayor asked for Roll Call Vote and it was as follows:

Mr. Morgan	Aye
Mrs. Lowe	Nay
Dr. Moore	Aye
Mr. Howard	Aye
Mayor Humphreys	Aye

The motion carried 4-1.

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- 12. AN ORDINANCE TO MAKE APPROPRIATIONS FOR THE CURRENT EXPENSES OF THE TOWN OF ABINGDON, VIRGINIA. TO FIX A RATE UPON REAL AND PERSONAL PROPERTY AND UTILITY SERVICES FOR THE FISCAL YEAR BEGINNING JULY 1, 2007 AND ENDING JUNE 30, 2008.**

Mayor Humphreys invited comments from the public about the proposed budget and no speakers appeared before the Council.

**On motion of Dr. Moore, second by Mr. Howard, the Ordinance to make appropriations for the Current Expenses of the Town Of Abingdon, Virginia. To Fix A Rate Upon Real**

**and Personal Property and Utility Services For The Fiscal Year Beginning July 1, 2007 and Ending June 30, 2008 was approved.**

**The roll call vote was as follows:**

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|------------------------|------------|
| <b>Mr. Morgan</b>      | <b>Aye</b> |
| <b>Mrs. Lowe</b>       | <b>Aye</b> |
| <b>Dr. Moore</b>       | <b>Aye</b> |
| <b>Mr. Howard</b>      | <b>Aye</b> |
| <b>Mayor Humphreys</b> | <b>Aye</b> |

**The motion carried 5-0.**

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L. Matters not on the agenda.

Mayor Humphreys asked if anyone had matters to present that were not on the agenda.

- Greg Kelly, Town Manager, informed the Council that he had a memo from District 3 Governmental Cooperative about buses that they will have in line for bids on Friday, June 22, 2007. Mr. Howard asked that the Council consider bidding on the buses and authorize Mr. Kelly to submit bids for two (2) buses that would best serve the needs of the Town of Abingdon.

On motion of Mr. Morgan, second by Dr. Moore, Greg Kelly, Town Manager, was authorized to submit bids for two (2) buses up to \$15,000.00 each that are for sale by District 3.

The roll call vote was as follows:

Mr. Morgan	Aye
Mrs. Lowe	Aye
Dr. Moore	Aye
Mr. Howard	Aye
Mayor Humphreys	Aye

The motion carried 5-0.

- Mr. Kelly provided to each of the Council members a copy of the proposal submitted by the joint Town/County committee regarding a recommendation for the multisport complex. Mr. Kelly indicated that he would schedule this item for consideration at the July 2, 2007 Council meeting.
- Mr. Kelly informed the Council that Garrett Jackson, Director of Planning, had a date for the a joint meeting of the Town Council, Planning Commission and representatives of Hill Studios to review the proposed comprehensive plan. The date is Thursday, June 21, 2007 at 6:00 p.m. in the downstairs meeting room of the municipal building. Mr. Kelly and Mrs. Lowe indicated that they would be unable to attend the meeting.
- The Council acknowledged that the next work session meeting would be held on Thursday, June 28, 2007 at 5:30 p.m. in the downstairs meeting room of the municipal building.
- Mr. Kelly informed the Council that W&L Construction will be paving the parking lot at the Town Center in the next few weeks but that work will take place at night to minimize the impact on the citizens that live and travel in that area of Town. He indicated the construction company has agreed to provide a 48 hour advance notice to residents.

At this time Keith Perrigan representative from the joint Town/County sports complex committee was invited to speak before the Council members.

Mr. Perrigan apologized for arriving late to the meeting but indicated he had been attending the meeting of the Board of Supervisors to present the committee recommendation. He informed the Council that the Committee's first choice was property located at Wyndale and Providence Roads and the second choice would be newly discovered property adjacent to Highlands Log Structures.

Mrs. Lowe questioned Mr. Perrigan about opposition from the community that related to the number one site the committee chose in the Wyndale/Providence Road area. Mr. Perrigan explained that a property owner in that area had requested to start a business in the past on this piece of property and the request was denied therefore making the property available for purchase. Mrs. Lowe also commented on the close proximity to the airport property and Mayor Humphreys commented she felt that proposed site #2 might be a better location as it would not interfere with the airport.

Discussion ensued about several other complexes in Virginia and Tennessee. The Council did not take any action on this item but indicated they may consider it again at the July meeting.

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**With no further business before the Council, on motion of Mrs. Lowe, seconded by Mr. Howard, the meeting was adjourned.**

**The roll call vote was:**

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| <b>Mr. Morgan</b> | <b>Aye</b> |
| <b>Mrs. Lowe</b>  | <b>Aye</b> |

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|------------------------|------------|
| <b>Dr. Moore</b>       | <b>Aye</b> |
| <b>Mr. Howard</b>      | <b>Aye</b> |
| <b>Mayor Humphreys</b> | <b>Aye</b> |

**The motion carried.**

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Lois H. Humphreys, Mayor

Cecile M. Rosenbaum, Clerk